STATUTORY RESOLUTION RE. APPROVAL OF THE NOTIFICATION OF THE GOVERNMENT OF INDIA IN THE MINISTRY OF FINANCE (DEPARTMENT OF REVENUE) NO. 473/86-CUSTOMS, DATED THE 27TH NOVEMBER, 1986, INCREASING THE EXPORT DUTY LEVIABLE ON BLACK PEPPER

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Now we shall take up the Statutory Resolution.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): Sir, I beg to move the following resolution:

"That in pursuance of sub-section (2) of section 8 read with sub-section (3) of section 7 of the Customs Tariff Act, 1975 (51 of 1975), this House approves the Notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 473/86-Customs, dated the 27th November, 1986, published in the Gazette of India under G.S.R. No. 1235(E), dated the 27th November, 1986, increasing the export duty leviable on black pepper from the level of Rs. 3 per kilogram to Rs. 5 per kilogram from the date of issue of the said Notification laid on the Table of the Rajya Sabha on the 27th November, 1986."

Black pepper is specified under Heading No. 2...

SHRI NIRMAL CHATTERJEE (West Bengal): He has to lay it on the Table.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): It is in the Agenda.

SHRI NIRMAL CHATTERJEE: Is he introducing the Bill?

SHRI JANARDHAN POOJARI: It was laid earlier. As per rules, we have to pass the resolution.

Sir, black pepper is specified under Heading No. 2 of Second Schedule to Customs Tariff Act, 1975. The rate of export duty prescribed therefor has been Rs. 3 per kilogram since May, 1985 when the export value realisation of black pepper was Rs. 40 per kilogram. Since then, international prices of pepper have started going up steadily during 1986. The Government has been watching the trend of export prices for quite some time. The latest export value realisation of black pepper has been around Rs. 65 per kilogram. Accordingly notifiaction No. 473/86-Customs dated 27-11-86 has been issued subjecting black pepper to export duty at the rate of Rs. 5 per kilogram. This measure is expected to bring an additional revenue of Rs. 10 crores in a year against an expected of 50,000 tonnes in a year.

Sir, changes in export duty on traditional items of export are made from time to time after ensuring that only a part of the gain arising from the rise in international prices is moped up and that such levy does not adversely affect our exports. This is also the case with the present increase in export duty.

Sir, I commend the Resolution for consideration and passing.

SHRI NIRMAL CHATTERJEE: I am on a point of order. What I wanted to know is that as mentioned that at 6 p.m. the Papers will be laid on the Table....

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): That will be done immediately after this.

There is one Amendment but the Member is absent. I shall now put the Resolution to vote. The question is:

"That in pursuance of sub-section (2) of section 8 read with sub-section (3) of section 7 of the Customs Tariff Act, 1975 (51 of 1975) this House approves the Notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 473/86

Customs, dated the 27th November, 1986, published in the Gazette of India under G.S.R. No. 1235(E), dated the 27th November, 1986, increasing the export duty leviable on black pepper from the level of Rs. 3 per kilogram to Rs. 5 per kilogram from the date of issue of the said Notification, laid on the Table of the Rajya Sabha on the 27th November, 1986."

The motion was adopted.

PAPERS LAID ON THE TABLE

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Now the hon. Minister will lay the Papers on the Table.

Notification of the Ministry of Finance (Department of Revenue) and related papers.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): Sir, I beg to lay on the Table a copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue), together with an Explanatory Memorandum thereon:—

(1) Notification No. 462/86-Central Excises dated the 9th December, 1986, reducing excise duty on fuel efficient light commercial motor vehicles of pay-load not exceeding 4000 kilograms from 20 per cent to 10 per cent *ad valorem* valid till 31st March, 1988. [Placed in Library. *See* No. LT-3649/86]

(2) Notification No. 463/86-Central Excises dated the 9th December, 1986, reducing excise duty on light commercial motor vehicles of pay-load not exceeding 4000 kilograms and employing indirect injection type diesel engines manufactured under a programme approved by the Ministry of Industry and DGTD from 20 per cent to 10 per cent *ad valorem*, valid till 31st December, 1986.

[Placed in Library. *See* No. LT-3650/86]

SHRI NIRMAL CHATTERJEE (West Bengal): Sir, I want to seek a clarification from the hon Minister. Is it in response to the recession in the light motor vehicle sector? I think, this entire motor vehicle sector is now in the grip of recession. So would the Minister consider this that there can be different route to help the motor vehicle sector—after all, you are laying emphasis on this sector—and that different route could be reduction in the prices of fuel? You are giving the concession to the light commercial vehicles. But the recession is affecting not only this sector but also the heavy motor vehicles, motor cars and buses. Therefore, would he kindly consider this that the alternative route to bring them out of this recession is to reduce the fuel cost which will once again make the demand for these cars more emphatic? This is all that I wanted to say.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): This is a suggestion for consideration.

SHRI ATAL BIHARI VAJPAYEE (Madhya Pradesh): Sir, according to the second Notification, the reduction in excise duty will be valid till 31st December, 1986. Is the date correct? You require the reduction only for this limited period, that is till 31st December, 1986?

SHRI JANARDHAN POOJARI: Sir, we will keep in mind the suggestions made by Shri Nirmal Chatterjee. And also about this date, it is up to 31st December, 1986.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Now, the House will take up further consideration of the Bureau of Indian Standards Bill, 1986. Mr. Matto has to continue his speech.